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VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: South Carolina Energy Freedom Act (House Bill 3659) Proceeding to Address S.C. Code Ann. Section 58-27-460(A)(1) and S.C. Code Ann. Section 58-27-460(A)(2) (Promulgation and Periodic Review of Standards for Interconnection and Parallel Operation of Generating Facilities to an Electrical Utility's Distribution and Transmission System)

Docket No. 2019-326-E

Dear Ms. Boyd:

Please allow this letter to serve as notification that the South Carolina Office of Regulatory Staff ("ORS") has reviewed the Application filed by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, "Duke" or the "Companies") for Approval of Modifications to South Carolina Generator Interconnection Procedures to Implement Queue Reform and Appendix Duke CS ("Application"), which was filed with the Public Service Commission of South Carolina ("Commission") on November 17, 2020.

Through the Application, the Companies requested expedited review and approval of modification to the South Carolina Generator Interconnection Procedures ("SC GIP") to enable a Cluster Study process and to transition the Companies' South Carolina generator interconnection study process to a Definitive Interconnection Study Process ("Queue Reform Proposal").

Specifically, the Companies request the Commission take the following actions:

1) Approve limited enabling revisions to the current SC GIP presented as Application Attachment 1 to allow the utilities subject to the SC GIP the option to implement an alternative Cluster Study interconnection study process. The changes proposed will allow Duke to transition to a Definitive Interconnection Study Process, while allowing DESC to continue to operate under the Section 4 serial generator interconnection study process

included in the existing SC GIP until such time as DESC may propose an alternative Cluster Study interconnection study process;

- 2) Authorize Duke to transition the Companies' SC GIP process to a Definitive Interconnection Study Process, consistent with the process recently authorized by the North Carolina Utilities Commission, as further described in Section II of the Application;
- 3) Approve a new Duke-specific Appendix to the SC GIP ("Appendix Duke CS"), presented as Attachment 2 to the Application, pursuant to which the Companies will administer the Definitive Interconnection Study Process, as further described in Section V; and
- 4) Terminate the Memorandum of Understanding between Duke, ORS and the South Carolina Solar Business Alliance approved by Order No. 2016-191 relating to the Companies' administration of the pre-existing SC GIP study process, which shall now be subject to the terms and conditions of Appendix Duke CS.

On January 22, 2021, counsel for the Companies filed a letter requesting that the Commission approve the Application no later than February 10, 2021. Counsel for the Companies stated that the Companies require approval of the Queue Reform Proposal in order to coordinate implementation among their South Carolina, North Carolina, and federal interconnection queues.

ORS does not object to the Companies' request provided the processes continue to support the provision of safe and reliable service and result in timely and non-discriminatory processing of the SC GIP. ORS recommends that Duke strictly enforce the SC GIP, with its proposed modifications, and enforce the process and timelines as proposed. ORS is hopeful that the modifications proposed by Duke will resolve the interconnection queue backlogs discussed in Docket No. 2018-202-E.

Sincerely,

Andrew M. Bateman

cc: All Parties of Record (via e-mail)
David Butler, Esquire (via e-mail)